

COASTAL CONSERVANCY

Staff Recommendation

May 19, 2011

DEVEREUX SLOUGH ACQUISITION (OCEAN MEADOWS PROPERTY)

Project No. 11-019-01

Project Manager: Rachel Couch

RECOMMENDED ACTION: Consideration and possible Conservancy authorization to disburse up to \$3,000,000, including \$500,000 of funds from the U.S. Fish and Wildlife Service, to The Trust for Public Land for acquisition of the 63-acre Ocean Meadows property in Devereux Slough, Santa Barbara County.

LOCATION: Unincorporated Santa Barbara County, adjacent to the City of Goleta and the University of California, Santa Barbara.

PROGRAM CATEGORY: Resource Enhancement

EXHIBITS

Exhibit 1: [Project Location and Site Map](#)

Exhibit 2: [Figures and Photos](#)

Exhibit 3: [Project Letters](#)

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31251 *et seq.* of the Public Resources Code:

“The State Coastal Conservancy hereby authorizes the disbursement of up to \$3,000,000 (three million dollars), including up to \$500,000 (five hundred thousand dollars) grant funds awarded to the Conservancy by the U.S. Fish and Wildlife Service under its National Coastal Wetlands Conservation Grant Program (the “USFWS grant”), to The Trust for Public Land (“TPL”) to acquire Santa Barbara County Parcel No. 073-090-062, consisting of approximately 63-acres, commonly known as the Ocean Meadows Property, for the purpose of preserving fish and wildlife habitat and open space, subject to the following conditions:

1. Prior to the disbursement of Conservancy funds, TPL shall submit for the review and approval of the Conservancy’s Executive Officer (“the Executive Officer”):
 - a. All title and acquisition documents including, but not limited to, the appraisal, purchase and sale agreement, escrow instructions, environmental and hazardous materials assessment, and title documents.

- b. Evidence that sufficient funds are available to complete the acquisition.
2. TPL shall pay no more than fair market value for any property acquired pursuant to this authorization, as established by an appraisal approved by the Executive Officer.
3. All property interests acquired with these funds shall be permanently protected for public access, open space and habitat conservation in a manner acceptable to the Executive Officer and consistent with Public Resources Code Section 31116(b).
4. If the USFWS grant is used to acquire the property, TPL shall comply with all applicable requirements of the USFWS grant.
5. Conservancy funding shall be acknowledged by erecting and maintaining a sign on the property, the design and location of which has been approved by the Executive Officer.
6. TPL shall not convey any portion of or interest in the property acquired in whole or in part with funds provided under this authorization, without the Executive Officer's approval."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed project is consistent with the current Project Selection Criteria and Guidelines.
2. The proposed authorization is consistent with the purposes and objectives of Chapter 6 of Division 21 of the Public Resources Code, regarding enhancement of coastal resources.
3. The Property has been identified in the County of Santa Barbara Local Coastal Program (LCP) as an environmentally sensitive habitat area which should be preserved and restored.
4. The Trust for Public Land is a nonprofit organization existing under Section 501(c)(3) of the Internal Revenue Code and whose purposes are consistent with the Conservancy's enabling legislation (Division 21 of the Public Resources Code)."

PROJECT SUMMARY:

Staff recommends the Conservancy authorize the disbursement of up to \$3,000,000 to The Trust for Public Land ("TPL") to acquire in fee the approximately 63-acre Ocean Meadows Property, a degraded but highly scenic and resource rich property located within the upper arms of the Devereux Slough and adjacent to a large open space complex. \$500,000 of these funds would come from a grant to the Conservancy from the U.S. Fish and Wildlife Service (USFWS) under its National Coastal Wetland Conservation Program.

The Ocean Meadows Property was formerly a part of upper Devereux Slough, but most of the wetland habitat was filled and the property now supports a nine-hole golf course. Acquisition of the Property will complete an approximately 650-acre complex of properties permanently protected for natural resources, open space, aesthetic values, public access, passive recreation and education, and will allow for the potential future restoration of the site's historic wetlands. The property provides a critical connection between these adjacent areas of protected open space and Devereux Slough. Permanent protection of the Property will also provide an unprecedented

opportunity to create a wildlife corridor linking the Goleta Slough to the east with the existing protected lands to the west and south of the project site. The project will also protect existing estuarine habitats down slope of the property by removing the existing golf course land use that contributes to excess pollutant loads in the watershed, one of three major sources of impairment to the Devereux Slough system.

Acquisition of the Ocean Meadows Property has been identified as a Tier One priority by the Southern California Wetlands Recovery Project. The acquisition also furthers the objectives of the Joint Proposal for the Ellwood-Devereux Coast (Joint Proposal) and the related Ellwood-Devereux Coast Open Space and Habitat Management Plan (OSHMP). Both documents were prepared by the County of Santa Barbara, UCSB, and the City of Goleta to guide development and the protection of open space, natural resource values, and public access within the project area. Protection of the Devereux Slough and its watershed has been identified as a high priority in numerous other conservation plans including the Coal Oil Point Natural Reserve Management Plan, UCSB Campus Wetlands Management Plan: Natural Areas Plan, Classification, Inventory and Management Guidelines.

If the property is not acquired, the landowner could opt to pursue existing permit approvals to expand the facility or could, under the current Planned Residential Development (PRD) Zoning, seek approvals to build up to 30 housing units on the property, which would result in a significant loss of existing open space. TPL has an option to purchase the property that can be extended through September 30, 2012, and commissioned an appraisal that establishes a fair market value purchase price of \$7,000,000. TPL intends to convey the property to the University of California, Santa Barbara (UCSB) in escrow, which will permanently own the land. UCSB's Cheadle Center for Biodiversity and Ecological Restoration (CCBER) is expected to manage the land and carry out future restoration activities. Once the property is acquired, all of the structures on it will be removed, except one building, which will be retained for potential use as an interpretive center by UCSB.

TPL is a national nonprofit (501(c)(3)) land conservation organization organized under the laws of the State of California. TPL has helped acquire land for natural resource protection and open space preservation throughout California, and is highly experienced at both negotiating land acquisitions and managing land. TPL's staff includes personnel and legal professionals with significant expertise in real estate transactions. TPL has worked in partnership with several organizations and agencies in Santa Barbara County and has helped protect nearly 10,000 acres, including Romero Canyon, the Douglas Family Preserve, El Capitan Ranch, Sperling Preserve at Ellwood Mesa, Rancho Monte Alegre, The Preserve at San Marcos Foothills, Midland School Conservation Easement and Gaviota Village.

Site Description: The Ocean Meadows Property site is located in the coastal zone, just north of Coal Oil Point and adjacent to the City of Goleta in unincorporated Santa Barbara County. Devereux Creek flows through the Ocean Meadows property for approximately 1700 linear feet into Devereux Slough and from there into the Pacific Ocean, approximately one-half mile from the project site. Historically, the property supported wetland habitat and was a functioning part of upper Devereux Slough. The 2,400-acre Devereux watershed rises from sea level to 580 feet elevation.

In 1965, the wetlands on the Devereux Slough property were filled to create the nine-hole Ocean Meadows golf course. More than one million cubic yards of soil was moved from adjacent land,

causing severe degradation of the borrow sites and raising the estuary elevation between six and 10 feet. This not only reduced capacity of the floodplain, but also significantly reduced habitat for estuarine and palustrine-dependent wildlife, including fish, birds, insects and mammals of concern. The impacts of this action were not limited to the upper arms of the slough; sedimentation from the graded areas reduced the capacity of the lower slough by 50%. Currently, the golf course delivers excessive nutrients to the local lagoon, displaces wetland habitat, interferes with flood control, and significantly limits the potential to restore adjacent degraded areas due to the lack of original soil or topography.

The Ocean Meadows Property is currently in private ownership and is being used as a private golf course which includes a nine-hole contoured golf course, putting green, cart barn, club house/grill, and paved parking lot. Some areas of native vegetation remain on the site, including 1.4 acres of wetlands associated with Devereux Creek, but the majority of the site is planted with grass and other non-native species which will be removed during the restoration phases of the project.

Devereux Slough contains a complex of estuarine, palustrine and upland habitat for numerous listed species including the federally threatened western snowy plover, the endangered tidewater goby, and California least tern. It is one of the remaining estuaries in Santa Barbara County to have functioning habitat for the threatened western snowy plover, and supports critical habitat necessary for the recovery of the species. Available habitat for the endangered tidewater goby would likely double as a result of restoration actions proposed for the property by TPL and UCSB. The property is specifically mentioned in the USFWS recovery plan for the tidewater goby. Devereux Slough is one of only three sites where the federally-endangered Ventura marsh milk-vetch is recovering after being presumed extinct for 30 years. The proposed project would ultimately expand available habitats for this endangered plant and allow for possible reintroductions or natural colonization onto the property. Federally-threatened California red-legged frogs have been documented in the Devereux watershed, and in other locations within dispersal distance (less than two miles) of the property, with protected open lands in between.

The majority of the land surrounding the property is protected open space. To the south and west of the Ocean Meadows Property is the 69-acre South Parcel on which The Land Trust for Santa Barbara County holds a conservation easement. Just west of the South Parcel is the permanently protected 230-acre Sperling Preserve at Ellwood Mesa, owned by the City of Goleta. To the south and southeast is the 170-acre Coal Oil Point Reserve, part of the University of California Natural Reserve System, and UCSB's 37-acre West Campus Bluffs Nature Park. To the north is UCSB's North Parcel, slated for faculty housing, and to the east are University-owned existing and proposed student housing facilities.

Project History: In 2001, the Conservancy contributed funds toward the development of the Joint Proposal for the Ellwood-Devereux Coast (Joint Proposal). In June 2004, the Conservancy contributed \$4,000,000 toward the purchase of the 137-acre Ellwood Mesa property (Sperling Preserve), now owned by the City of Goleta and located immediately west of, but not bordering the Ocean Meadows property.

In 2008, TPL representatives first contacted the Ocean Meadows Property owner to inquire about selling the property for conservation purposes. TPL informed the Conservancy about the project in 2009, and has since secured a purchase agreement to acquire the property. UCSB has agreed to work with TPL towards ownership of the land.

PROJECT FINANCING

Coastal Conservancy	
Conservancy Funds	\$2,500,000.00
USFWS Grant (National Coastal Wetlands Conservation)	\$500,000.00
NOAA Coastal Estuarine Land Conservation (requested)	\$2,400,000.00
Department of Transportation (EEMP)	\$350,000.00
County of Santa Barbara (CREF)	\$750,000.00
Goleta Valley Land Trust	<u>\$500,000.00</u>
Total Project Costs	\$7,000,000.00

The expected source of Conservancy funds for this project is an appropriation to the Conservancy from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84). Proposition 84 may be used for the protection of coastal waters and watersheds, including projects to restore the natural habitat values of coastal lands pursuant to the Conservancy's enabling legislation, Division 21 of the Public Resources Code. The project will put the property in public ownership and enable restoration of the historic coastal wetland. As discussed in "Consistency with Conservancy's Enabling Legislation" section, below, the project is consistent with Chapter 6 of Division 21. Proposition 84 also requires that for acquisition projects that protect natural resources, the Conservancy give priority to projects that meet at least one of the criteria specified in Public Resources Code Section 75071. The proposed acquisition satisfies four of the five specified criteria:

1. The property links to existing protected areas with other large blocks of protected habitat. The linkage serves to connect existing protected areas, facilitate wildlife movement and botanical transfer, and results in sustainable combined acreage. Specifically, the Ocean Meadows property links to the Coal Oil Point Natural Reserve, part of the University of California Natural Reserve System and to the 650-acre Ellwood Mesa Open Space Complex, jointly managed by the University, County of Santa Barbara and City of Goleta.
2. The project will contribute to the long-term protection of and improvement to the water and biological quality of the Devereux Slough and Creek.
3. The property supports coastal estuarine habitat, an under-protected major habitat type.
4. The Conservancy's funds will be matched by non-State funds from the U.S Fish and Wildlife Service National Coastal Wetland Conservation Program, the Goleta Valley Land Trust and the County of Santa Barbara Coastal Resource Enhancement Fund (CREF) Program.

As required by Section 75701, Conservancy staff has submitted to the Resources Agency and posted on the Conservancy's website an explanation as to how the proposed acquisition meets the

criteria of Section 75071.

Under the proposed authorization, the Conservancy will also provide to TPL \$500,000 from a grant received from the U.S. Fish and Wildlife Service. These funds were granted to the Conservancy under the National Coastal Wetland Conservation grant program specifically for the acquisition of the Ocean Meadows Property.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is undertaken pursuant to Section 31251 et seq. of the Public Resources Code (Chapter 6 of Division 21), as described below.

Pursuant to Section 31251, the Conservancy may award grants to nonprofit organizations for the purpose of enhancement of coastal resources that, because of natural or human-induced events have suffered loss of natural and scenic values. Grants under this chapter are to be utilized for, among other purposes, the assembly of parcels of land within coastal resource enhancement areas to improve resource management. The proposed project would prevent further development of or degradation to the Ocean Meadows Property and, when restoration is completed, result in the restoration of 57 acres of wetland and six acres of upland habitat under permanent protection.

Consistent with Section 31252, the Devereux Slough is identified in the County of Santa Barbara Local Coastal Plan as requiring public action to resolve existing or potential resource protection problems. See "Consistency with Local Coastal Program Policies" section, below.

Pursuant to Section 31253, the Conservancy may provide up to the total cost of any coastal resource enhancement project. In determining the amount of Conservancy funding for this project, the factors identified in section 31253 have been considered and applied, as described in detail below, under the heading "Consistency With Conservancy's Project Selection Criteria & Guidelines." The Conservancy's funds for the Devereux Slough acquisition constitute less than forty percent of the purchase price.

Pursuant to Section 31260, the Conservancy may fund the costs of land acquisition as part of an approved coastal resource enhancement project.

CONSISTENCY WITH CONSERVANCY'S 2007 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 4, Objective A** of the Conservancy's 2007 Strategic Plan, the proposed project will protect 63 acres of significant coastal and watershed resource properties.

Consistent with **Goal 5, Objective C**, the proposed project will preserve and restore wildlife corridors along the coast and from coastal to inland habitat areas.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on June 4, 2009, in the following respects:

Required Criteria

1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
3. **Support of the public:** The proposed project has the support of U.S. Congresswoman Lois Capps, State Senator Tony Strickland, Assemblymember Das Williams, County of Santa Barbara Supervisor Doreen Farr, Santa Barbara Chapter of the Audubon Society, the Environmental Defense Center, Friends of the Ellwood Coast, and the Gaviota Coast Conservancy. See Project Letters, Exhibit 4.
4. **Location:** The proposed project is located within the coastal zone of the County of Santa Barbara.
5. **Need:** The proposed project represents a unique opportunity to move quickly to acquire the property, which only recently became available for purchase. Conservancy funds are needed to complete the acquisition and will serve to leverage federal and local funds requiring matching funds.
6. **Greater-than-local interest:** California has lost a greater percentage of its wetlands than any other state, especially in the southern region. Acquisition of the Ocean Meadows Property will enable future restoration of upper Devereux Slough. For this reason, the proposed project has been identified as a top priority of the Southern California Wetlands Recovery Project, a consortium of State and federal agencies working together to conserve coastal wetlands across five counties. Preservation of the site will also benefit several federal and state listed threatened and endangered species.
7. **Sea Level Rise:** Coastal estuaries are by nature, frequently subject to flooding, erosion and storm surges, though such events could be more frequent or severe in the event of any sea level rise occurring over the next 50 to 100 years. The acquisition project will minimize climate change impacts by providing permanent protection on 63 acres that could otherwise be subject to residential development or intensification of recreational use of the golf course. The project will provide habitat expansion areas for wetland, floodplain, and upland habitats in lower Devereux Slough and other adjacent properties. Future restoration of the site would increase water capacity by over 90 acre-feet from the current lower Devereux Slough capacity of 171 acre-feet, thus further buffering the impacts of climate change.

Additional Criteria

8. **Urgency:** The landowner has made known his intention to proceed with plans to develop the Ocean Meadows Property if this acquisition does not go forward. The landowner has only recently agreed to sell the property, and this may be the public's only opportunity to acquire the site.
9. **Leverage:** See the "Project Financing" section above.
10. **Realization of prior Conservancy goals:** See the "Project History" section above.

11. **Cooperation:** The project entails cooperation among The Trust for Public Land, a private non-profit organization, and UCSB.
12. **Vulnerability from climate change impacts other than sea level rise:** The property's acquisition and restoration will protect areas adjacent to shoreline habitats, which will support native species in need of shifting habitats that may result from climate change, and will specifically conserve and restore habitats that sequester carbon by protecting and eventually restoring tidal wetlands. Finally, the protection of the property will enhance and restore the property's estuarine and palustrine zones to accommodate increased flooding, erosion and storm surges.
13. **Minimization of Greenhouse Gas Emissions:** The project will likely reduce the future production of greenhouse gas emissions by preventing development of the property. The planned future restoration of wetland habitat on the property will likely result in greenhouse gas emission reductions.

CONSISTENCY WITH LOCAL COASTAL PROGRAM POLICIES:

The "Coastal Land Use Plan" adopted by the County of Santa Barbara in 1982 is the certified Local Coastal Program (LCP) for the County of Santa Barbara, including the project area. Section 3.9.1 of the County's LCP calls for preservation and protection of environmentally sensitive habitats. LCP Section 3.9.4 specifically identifies as environmentally sensitive habitat areas three habitat types occurring in the Devereux Slough on the Ocean Meadows property: wetlands, streams, and seabird nesting and roosting areas.

The Goleta Community Plan (GCP), adopted in 1993 as part of the County's LCP, contains the land use and zoning designations which govern the project site. According to the GCP, the Devereux Slough and surrounding open lands are a "regional ecosystem" worthy of protection. The Devereux Slough is supported by a "diverse assemblage of relatively intact habitats located within blocks of open space which provide sufficient space, forage and cover to support diverse wildlife populations. The continued functioning of these regional systems is dependent upon the preservation of a sufficient amount and diversity of habitat to sustain such populations."

GCP Policy Bio-GV-1 states, "The County shall designate and provide protection to important or sensitive environmental resources or habitats in the Goleta Planning Area" and GCP Policy Bio-GV-2 states, "Environmentally sensitive habitat and riparian corridors within the Goleta Planning Area shall be protected and where feasible and appropriate, enhanced."

The proposed acquisition of the Ocean Meadows property is consistent with the policies of the LCP and GCP because it would permanently protect the site's environmentally sensitive habitats from development and create an opportunity to restore the historic wetland.

COMPLIANCE WITH CEQA:

The proposed project is categorically exempt from the California Environmental Quality Act under 14 Cal. Code of Regulations Section 15313, as an acquisition of lands for preservation of fish and wildlife habitat, and under Section 15325, as a transfer of an interest in land to preserve open space and habitat, and, in particular, to allow restoration of natural conditions, including plant or animal habitats. Upon approval, staff will file a Notice of Exemption for the project.